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August 17, 2020

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk and Executive Director
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, SC 29210

**Re: Actions in Response to COVID-19
Docket No. 2020-106-A**

Dear Ms. Boyd:

Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (collectively, “Duke Energy” or the “Companies”) hereby provide the Public Service Commission of South Carolina (the “Commission”) with an update on the Companies’ planned return to normal operations during the COVID-19 pandemic. In comments filed in this docket on May 22, 2020, the Companies informed the Commission that certain normal business practices, including resuming disconnections and reinstituting late payment and other customer-related fees, would not occur until later in the summer. This letter serves as notification that the Companies have delayed such resumption and will instead begin normal billing practices in South Carolina as of October 1. No service disconnections for nonpayment will occur before October 12, 2020. The Companies remain committed to working with customers as South Carolina continues to open up the economy and provide the Commission with the following updates. Customers will also be notified of the resumption of normal billing practices, the option of payment arrangements, and where to find assistance if necessary, via bill insert, bill message, email, and website updates. Additionally, a press release is being provided to a wide media market.

RETURN TO NORMAL OPERATIONS

On March 13, 2020, in response to the COVID-19 pandemic and Commission Order 2020-228, the Companies suspended the disconnection of electric services for nonpayment, including reconnecting some prior non-payment disconnections, and also began waiving late payment fees and returned check fees for all customers, as well as certain walk-in convenience fees.

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The Commission issued Order No. 2020-374 on May 14, 2020, vacating the suspension of disconnection of service. At the request of Governor McMaster, in addition to applying the Commission regulations related to termination, the Commission required utilities to work with customers prior to disconnection and offer payment plans or refer customers to local assistance organizations. In comments filed in this docket on May 22, 2020, the Companies advised the Commission they would not begin return to normal operations regarding disconnection until later in the summer.

At this time, the Companies plan a return to standard billing and payment practices on October 1, 2020, which means customers in arrears will receive notices triggered from the billing system about their past-due balances in addition to notifications being sent now regarding payment arrangement options. That change may result in disconnections for nonpayment under regular credit and notice timelines on or after October 12, 2020, for residential and nonresidential customers with delinquent balances who have not requested a payment arrangement before that date. Duke Energy recognizes the financial impacts of the COVID-19 pandemic, and the resulting hardship faced by many of its customers, which is why the Companies have waited to return to standard billing and payment practices. This timeline also allows the Companies the opportunity to continue to communicate its planned actions to its customers as well as ensure customers are aware of available assistance options.

The Companies view disconnection as a last resort. That is why, for several months, the Companies have been working with customers who are experiencing financial hardship due to the COVID-19 pandemic and need additional time to pay any outstanding balance. The Companies have been contacting customers behind on their bills to offer payment plans to eligible customers to provide more time to pay past due bills and to avoid disconnection once disconnections resume. Disconnecting a customer's electric service is always the absolute last resort and we work with customers to prevent that from happening, including providing referral information to customers who may need and qualify for payment assistance from local agencies.

CUSTOMER ASSISTANCE OPTIONS

Customers who need payment plans are not required to make down payments. Customers are being offered payment plans and being directed to agencies that may help prior to disconnection occurring. No customer on a payment plan who is current on that arrangement will be disconnected.

The Companies' customer contact specialists are prepared to support customers through these challenging times and provide manageable solutions so customers can maintain their electric service. Customers will also have access to self-service options on duke-energy.com.

The Companies will continue to provide assistance to residential and business customers whose accounts have fallen behind due to illness or lost wages. Support for these efforts includes:

- Federally funded programs like the Low-Income Home Energy Assistance Program (LIHEAP). Additional funds were added to the program due to the pandemic, and the state is urging utility customers to apply through statewide community action agencies.
- The added convenience for customers to choose an extended payment arrangement that meets their needs online, anytime.
- Duke Energy Progress customers who need additional assistance can visit the Energy Neighbor Fund webpage to learn how community agencies can help pay energy bills.
- Duke Energy Carolinas customers who need additional assistance can visit the Share the Warmth webpage to learn how community agencies can help pay energy bills.
- Resources are also available for small business customers as they are reopening, from financial assistance to billing and payment options to professional guidance to manage their energy usage.
- To make it easier to pay, the Companies will continue waiving walk-in payment fees for customers for an additional two months once standard billing and payment practices resume. These fees will resume in December.

OPERATIONS

To the extent practical, Duke Energy employees have continued to work remotely throughout the pandemic. The Companies also suspended some of its field operations and non-emergency work inside customers' premises. However, as a provider of an essential service, the Companies continue working hard to deliver the reliable power customers need while following the Center for Disease Control ("CDC") guidelines to protect the health and well-being of their communities, employees and contractors. Consistent with this commitment, the Companies have been methodically resuming some activities. As the Companies continue to resume service orders previously suspended, personnel will follow CDC guidelines to complete work.

The Companies communicated on May 22, 2020 that its workforce will return to offices on a staggered time frame starting in June 2020. As COVID-19 has persisted in the Carolinas, we have extended the plan for when employees who have been remote working will return to offices. The Companies' Phase Two of workforce reintegration, which consists of a small number of employees whose ability to perform their roles is benefited by returning to the office, is currently scheduled to begin after Labor Day. If Phase Two stays on schedule, we will transition managers and employees identified for this phase throughout September and into early October. The safety and well-being of our employees is our top priority, and we will monitor progress and check and adjust as needed. If this phase progresses safely, smoothly and on schedule, we will proceed to

Phase Three. Phase Three of workforce integration is scheduled to begin November 9, 2020. Most employees will gradually begin to return to their work location during this phase, and transitions will likely last through the end of January 2021. This approach will help ensure we continue to adhere to social distancing protocols and maintain best practices. Dates are subject to change based on the results of Phase 2 implementation and future levels of virus cases.

Additionally, as hurricane season is here, Duke Energy is planning ahead for the challenges that a storm response during the COVID-19 pandemic can bring. The Companies are adjusting practices to respond as safely and quickly as possible when large-scale outage events occur, as demonstrated during April storms which included a tornado in the Upstate as discussed in the May 22 filing, as well as the recent experience with Hurricane Isaias. The COVID-19 pandemic has altered the way in which the Companies—and the industry—gather and prepare for storm restoration. In preparation for severe weather, Duke Energy crews are using social distancing measures and when appropriate for certain work, wearing face coverings while working in the field. Duke Energy has also expanded transportation options to promote social distancing and require masks when crew members are riding together in the same vehicle. Crews are also using new safety signage to help promote social distancing in the field and work zone safety during coronavirus and for general work. When possible, crews are now dispatched directly from their homes to the work site, limiting the time spent at company facilities where gathering may not be practicable due to social distancing concerns. Many support activities, like crew coordination and logistics support are also being shifted and adjusted to remote processes.

DUKE ENERGY FOUNDATION AND OTHER COMMUNITY SUPPORT

As reported to the Commission in comments filed May 22, 2020, the Duke Energy Foundation gave \$760,000 as of that date to aid during the COVID-19 pandemic in South Carolina, including: (1) \$250,000 in COVID-related grants to support hunger relief and social services; (2) \$150,000 to support utility assistance programs and (3) \$20,000 to April tornado relief in Pickens and Oconee Counties. Duke Energy has also worked hard to support food insecurities, energy assistance and education initiatives. Duke Energy's initial \$250,000 COVID-19-related grants helped address social service and hunger relief needs for all ages, children to seniors, resulting from the virus pandemic. Duke Energy's \$150,000 grant provided additional funds to the Share the Warmth and Energy Neighbor programs, to help support approximately 550 households with assistance to pay heating or cooling bills. As explained in the May 22 filing, the Duke Energy Foundation also recently granted more than \$340,000 to support energy, engineering and environmental educational initiatives. The Foundation afforded grant recipients the option to use the funds for unforeseen operational challenges if the program they originally filed the grant for was impacted due to COVID-19.

Since last reported, Duke Energy has teamed up with the South Carolina Chamber of Commerce (the “Chamber”) to start a new program aimed at helping small businesses rebound and survive during the ongoing COVID-19 crisis. The Chamber will use a \$100,000 grant from the Duke Energy Foundation to provide support to 56 small businesses in the counties Duke Energy serves in the state, with half of those owned by minorities and women. The program will provide mentoring over six months from experts in the fields of marketing, legal support, advocacy training, governance, sustainability, finance, and taxes. Participants will also receive a \$1,000 microgrant to help with expenses related to the pandemic. Additionally, the Chamber will offer online classes taught by subject-matter experts on these and other topics to small businesses across South Carolina.

Moreover, the Companies have been actively involved in supporting efforts to bring broadband to areas that need it, especially children in remote areas who need access to the internet for remote learning. For several months, representatives of the Companies have been engaged with the Office of Regulatory Staff (“ORS”), the State Chamber of Commerce, and various telecom and broadband-interested stakeholders, including other electric utilities like Dominion Energy, Santee Cooper and the state’s electric cooperatives, to develop a phase-1 draft of the State’s broadband plan.

Although the phase-1 broadband plan was published in July of this year, it is considered a living document—setting out a framework rather than a final plan at this point. The Companies continue following broadband related activity at the SC General Assembly, including its authorization of \$50 million in Federal CARES Act funds for planning, mapping, hotspot acquisition, and infrastructure development for the purpose of broadband expansion to priority underserved areas. The Companies have remained in periodic communication with ORS regarding this issue, and also continue to work internally to identify ways that it may aid the broadband rollout as broadband service providers submit project applications for ORS’s consideration.

The Companies have also worked at the local level to support testing events as the State grapples with testing challenges to address the needs of South Carolina citizens. Recently, DHEC began instituting pilot COVID-19 testing events in a creative attempt to increase turnout of at-risk populations. Events in Columbia and Charleston showed promise, drawing increasingly large numbers of people from the targeted local communities. The Companies are also now partnering with DHEC to provide cloth masks and hand sanitizer for pilot testing events that are currently being scheduled to take place in Florence and Greenville counties, which fall within the Companies’ service territories.

CUSTOMER COMMUNICATIONS

As outlined in previous filings in this docket, for months the Companies have been proactively reaching out to customers who have past due balances to offer deferred payment arrangements and to help alleviate concerns about return-to-normal operations in advance. The Companies will continue to help customers access resources to assist and provide additional information that can help reduce their bills as we return to standard billing practices. Duke Energy is issuing a press release in order to advise customers and our communities about the Companies' return to normal operations plans. In addition, the Companies have continued to provide updates on the Duke Energy COVID-19 website linked to duke-energy.com. Finally, the Companies are providing emails, bill inserts and bill messages to customers so that they will understand their options given the resumption of billing practices, including payment arrangements and how to contact assistance agencies. The Companies are urging eligible customers to take advantage of available financial support through the Low-Income Home Energy Assistance Program (LIHEAP) funds available through statewide community action agencies.

CONCLUSION

Throughout the COVID-19 pandemic, the Companies have had regular communication with the ORS to provide updates on the Companies' pandemic response. Prior to filing this letter, the Companies advised ORS on a frequent basis about customers in arrears and outreach the Companies are performing to make customers aware of payment arrangement and additional forms of assistance.

In response to the pandemic in March, the Governor, the Commission, the ORS, and the Companies all immediately launched a sweeping series of steps to help customers which have been detailed in various filings in this docket. The Companies remain committed to keeping our employees, customers and communities as safe as possible as the return to normal operations get underway. The Companies appreciate this opportunity to keep the Commission informed of its actions in response to the COVID-19 pandemic.

Sincerely,



Heather Shirley Smith

C: Parties of Record (via email)